

HB 225 -- Income Tax Deduction for Social Security and Retirement Benefits

Sponsor: Nance

Beginning January 1, 2007, this bill authorizes an income tax deduction for any Social Security benefits received, regardless of age or income.

Currently, a public or private retiree may deduct up to \$6,000 of pension allowances received each year if his or her income is not in excess of \$32,000 for married taxpayers or \$25,000 for single taxpayers. The bill increases the \$6,000 allowance to \$18,000 subject to the income limitations.